

# Rio Algom Mining LLC

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DIV. OF OIL, GAS & MINING

M0370001  
cc: Tom

December 28, 2008

Ms. Susan White  
Department of Natural Resources  
Division of Oil, Gas and Mining  
1594 West North Temple – Suite 210  
Salt Lake City, Utah 84114-5801

Re: Mine Permit M/037/001  
Annual Report (form MR-AR) for 2008

Dear Ms. White:

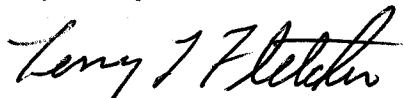
Please find the attached 2008 Annual Report for Rio Algom Mining LLC's Lisbon Mine. This report is required by Rules R647-003-116 and R647-004-121 of the Division's Amended and New Rules – Mineral Reclamation Program.

Rio Algom Mining LLC has completed all major reclamation activities at the site. In 2008 four areas of potential erosion outside the limits of the tailings cover were identified and additional engineered erosion control rock was placed. In addition, we anticipate performing final soil and slope contouring activities in outlying areas in the spring of 2009. Please refer to the attached general site layout depicting the 2008 rock placement in red.

Rio Algom Mining LLC submitted a request for bond release in 2006. Our legal department is currently in contact with the Board to terminate or reduce the bond to an appropriate level to cover costs associated with revegetation monitoring.

If you have any questions on this submittal or if you need additional information, please contact me at (505) 287-8851 – Ext. 11.

Respectfully submitted,



Terry Fletcher  
President

Attachments: As Stated.

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
1594 West North Temple - Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
Telephone: (801) 538-5291  
Fax: (801) 359-3940

LARGE MINING OPERATIONS 2008 PROGRESS REPORT  
January 1, 2008 to December 31, 2008

The information required in this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, and the rules as under the Utah Minerals Regulatory Program.

1. Mine Permit Number: M/037/001
2. Mine Name: Lisbon Mine
3. Name of Operator/Permittee: Rio Algom Mining LLC

Note: If Operator's address, company representative or phone number have changed, please provide a replacement page for the Notice of Intention.

4. Mine Location: 355 South Lisbon Road, Sec. 21 T295R24E

5. Report the gross amount of ore mined and waste moved, and the disposition of the materials (onsite stockpiles, sold, waste pile, regraded, etc.):

Gross Ore Mined 0 Tons, or        yd<sup>3</sup>  
Waste Material Moved 0 Tons, or        yd<sup>3</sup>  
New Disturbance 0 Acres during 2008  
Area Reclaimed 0 Acres during 2008  
Total Disturbed Area 0 Acres\*

\*Total mine disturbance from the beginning of mining operations through the end of 2008.

Was the ore shipped off site? If not, where is the ore located? N/A

Where is the waste located? Reclaimed

6. Briefly describe the reclamation work performed during the past year. A map showing reclaimed areas and dates is suggested. (Submit form MR-SITE for an application for full or partial bond/site release).

Additional erosion control rock added

MR - site filed 10-1-2005.

7. Include an updated map depicting surface disturbance and reclamation performed during the year, prepared in accordance with Rule R647-4-105.

I hereby certify, under penalties of law, the information provided in this report is true and correct to the best of my knowledge and belief.

Name (Typed or Print): Terry L. Fletcher

Title of Operator: Rio Algom Mining LLC

Signature of Operator: Terry L Fletcher

Date: 12-24-08

